



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

USDA & Russia Sign Memorandum Of Understanding On Cooperation In Agriculture

Agriculture Secretary Ann M. Veneman and Russia's Deputy Prime Minister and Minister of Agriculture Alexei Gordeyev signed a Memorandum of Understanding on cooperation in agriculture. The two countries agreed to form three Working Groups to facilitate and review cooperation under the MOU including: Agricultural Policy, Agribusiness and Investment; Research, Education and Extension; and Sustainable Agriculture and Rural Development.

The Working Groups will be co-chaired by representatives of USDA and the Russian Ministry of Agriculture and will meet regularly throughout the year. In some cases, other interested government agencies, private agribusiness and scientific institutions from both countries may participate in the Working Groups' activities. Veneman and Gordeyev will meet annually in Washington, D.C. and Moscow to review the progress.

Source: USDA/FAS

Canada Chicken Production Lower; Imports From U.S. Higher

Preliminary data released by the Chicken Farmers of Canada (CFC) for the first quarter of 2003 indicates that year to-date Canadian chicken production up to mid-April is 264,500 metric tons, 1.9% less than during the same weeks of 2002. Storage stocks on April 1, 2003 were only fractionally lower than one year earlier at just under 30,000 metric tons. The CFC claims that domestic consumption in early 2003 is 2.8% higher than last year during the first quarter.

Preliminary data show total Canadian chicken exports almost 25% below the January-March level of last year, a development to be more closely analyzed when the official trade data is available in mid-May. Year to-date chicken imports, virtually all from the United States are estimated at 25,800 MT, 4.9% higher than last year's pace. Canada is the second most important market for U.S. poultry meat exports after Russia. U.S. poultry meat sales to Canada during 2002 reached a record \$267 million, accounting for more than 15% of total.

Source: USDA/FAS

EU Challenges Australia's Quarantine System

On March 31, 2003, the European Union announced that it has requested Australia to enter into WTO formal consultations on its quarantine system for imports of agricultural products. If consultations are unsuccessful, the EU would be entitled to ask for a WTO Panel to be set up to rule on the legality of the Australian quarantine system. In particular, the EU has noted delays in outstanding requests for access to the Australian market for fresh pig meat, poultry meat, citrus fruit and tomatoes. Australia is known as having one of the most stringent quarantine systems in the world.

Specific measures of Australia's quarantine regime have been challenged in the past. In 1998, the WTO ruled that Australia's quarantine system for salmon violated WTO rules. In 2002, the Philippines, supported by Thailand, requested WTO consultations on Australia's quarantine rules for fresh pineapples and other fresh fruit and vegetables.

Source: USDA/FAS

World Poultry Prospects In 2003 Clouded By Potential Market Disruptions

Influenced by low prices, disease problems, and an uncertain trade environment, poultry meat output is expected to increase by only 2 percent in 2003, reaching 74.5 million tonnes. This growth is only half the levels of the 1995-2002 period. The output share of developed countries is set to decline to 46 percent as output gains in the EU and the United States, poultry exporters which account for more than one-third of global production, drop or slow in response to a more than 8 percent decline in domestic poultry prices in 2002.

Robust gains for developing countries will be supported by an expected growth of more than 3 percent in South America, China, India and Indonesia. Despite economic stagnation and low consumer demand in Argentina and Colombia, the strongest output gains are expected in South America. Higher feed costs and lower profit margins in Brazil, the region's largest producer, will, however, likely constrain output growth to half of the 7 percent gains reported in 2002. Despite sanitary restrictions and increased product testing on exports from China and Thailand, two of the major producers in Asia, robust domestic demand is prompting strong production gains. Expectations of higher poultry prices in the Russian Federation are projected to lead to double-digit output gains, pushing production back up to the levels of the early 1990s.

Poultry Production – Poultry Meat

Million tons - CWE

	2000	2001	2002	2003
World	68.4	70.4	72.9	74.5
Africa	3.0	3.1	3.2	3.2
North & Central America	20.3	20.8	21.6	21.7
South America	9.6	9.9	10.6	11.0
Asia 1/	22.7	23.3	24.1	24.8
Europe 2/	12.0	12.5	12.7	12.8
Oceania	.8	.8	.8	.9
CIS 12	1.1	1.3	1.4	1.6
Developed Countries	32.5	33.5	34.3	34.6
Developing Countries	35.9	37.0	38.6	39.9

1/ Including CIS countries in Asia

2/ Including Baltic States & CIS countries in Europe

Source: FAO Meat Outlook

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending April 26, 2003	2003	2002/1	2003	2002
Liquid	500	501	3,835	6,222
Frozen	0	0	63	0
Dried	0	0	135	58
Total	500	501	4,033	6,280

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending April 26, 2003	2003	2002/1	2003	2002
Liquid	29	285	1,906	2,308
Frozen	13	37	1,381	1,293
Dried	0	123	400	1,492
Total	42	445	3,687	5,093

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending April 26, 2003	2003	2002 /1	2003	2002
Jumbo	15	678	121	1,034
Extra Large	30	960	2,730	3,507
Large	4,310	3,810	15,293	30,739
Medium	1,475	0	21,808	17,410
Ungraded	2,220	12,275	10,236	61,475
Misc	60	0	3,042	10,384
Total	8,110	17,723	53,230	124,549

/1 Comparable Week, to-date figures may not total due to rounding.
Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 26-Apr-03

(PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,880	1,242	3,122
LAST WEEK	1,751	1,235	2,986
SAME WEEK YR AGO	1,948	1,368	3,316
TO-DATE/2003	28,770	22,487	51,257
TO-DATE/2002	31,087	22,133	53,220

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	134	4	138
LAST WEEK	192	0	192
SAME WEEK YR AGO	378	0	378
TO-DATE/2003	4,829	65	4,894
TO-DATE/2002	5,511	20	5,531

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	2,014	1,246	3,260
LAST WEEK	1,943	1,235	3,178
SAME WEEK YR AGO	2,326	1,368	3,694
TO-DATE/2003	33,599	22,552	56,151
TO-DATE/2002	36,598	22,153	58,751

SOURCE: USDA/AMS PLTRY PROGRAMS, MARKET NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

02-MAY-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT

15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

PRICES VOLUME				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT

15% OR LESS				
RANGE	-	15.00-17.00	97,600	-
WTD AVERAGE		16.84		
15-20%				
RANGE	13.00-15.00	10.00-14.50	1,734,000	326,400
WTD AVERAGE	14.00	12.10		
20% OR MORE				
RANGE	-	11.00	24,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

02-MAY-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT

15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

PRICES VOLUME				
(Cents per Pound)				
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT

15% OR LESS				
RANGE	15.75-18.50	-	526,000	526,000
WTD AVERAGE	17.11			
15-20%				
RANGE	14.00-16.50	10.50-16.50	1,664,000	104,000
WTD AVERAGE	15.81	12.71		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 2 MAY 2003.

The undertone on tom bulk parts was steady on drums, steadier on full-cut wings with less weakness noted, barely steady on 2-joint wings and barely steady at best on necks. The undertone on hen bulk parts was steady to fully steady on full-cut wings, mostly steady on drums, steady to instances barely steady on 2-joint wings and steady to weak on necks. Bulk parts demand was slow to sometimes moderate with some increased activity noted for domestic shipments. Domestic trading centered on light volumes of tom parts and firm priced export trading on a fair volume of frozen thigh meat balance slow. For export: fresh tom drums 18, fresh thigh meat 50 cents delivered.

FRIDAY, MAY 02, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS		R	19.00	40	18.08	340
WINGS FULL-CUT - TOMS		R	12.00	104	12.43	184
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/	17.00		17.00	52	17.61	132
THIGH MEAT - FROZEN	43.50-46.50		45.00	416	47.22	1,580

THURSDAY, MAY 01, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.00		19.00	40
WINGS FULL-CUT - TOMS	12.00		12.00	104
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/		T	18.00	40
THIGH MEAT - FROZEN	44.00-64.50		57.67	156

WEDNESDAY, APRIL 30, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	17.96	300
WINGS FULL-CUT - TOMS		M	13.00	80
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/		T	18.00	40
THIGH MEAT - FROZEN		T	52.00	40

TUESDAY, APRIL 29, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	17.96	300
WINGS FULL-CUT - TOMS		M	13.00	80
WINGS, V-TYPE, TOM				
TAILS		T	18.50	40
MECHANICALLY SEPARATED 2/	18.00		18.00	40
THIGH MEAT - FROZEN	52.00		52.00	40

MONDAY, APRIL 28, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.00-20.00		17.96	300
WINGS FULL-CUT - TOMS	12.00-14.00		13.00	80
WINGS, V-TYPE, TOM				
TAILS		T	18.50	40
MECHANICALLY SEPARATED 2/	18.00		18.00	40
THIGH MEAT - FROZEN	40.00-65.00		46.29	968

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

210 WALNUT STREET, ROOM 951, DES MOINES, IOWA, 50309 515/284-4471 FAX 515/284-4468

Visit us on the World Wide Web at <http://www.ams.usda.gov/marketnews.htm>